SITCO Enterprises LLC

(Summit International & Summit Work Apparel)

collectively and individually hereinafter called

"Summit"

PURCHASING TERMS AND CONDITIONS

1) **AGREEMENT & ACCEPTANCE:** These terms and conditions (hereinafter, "Agreement") shall control and govern all purchase transactions between "Summit" and Seller, whether under subsequent verbal and/or written requests, unless subject to an express, duly executed agreement (which is not a pre-printed form) for the particular subject matter effective either upon Seller signing this Agreement, or upon Seller shipping the Goods or otherwise commencing performance, whichever occurs first. This Agreement, together with the specifications, drawings and other requirements specified herein or in a "Summit" purchase order, constitutes the entire agreement between the parties, and all prior negotiations and proposals related thereto are superseded and of no effect. Any written confirmation of this Agreement by Seller containing additional or different terms from this Agreement shall be no effect, unless "Summit", after receipt of notice, expressly agrees, in writing, to such additional or different terms. Seller shall give "Summit" immediate notice if it discovers any conflict or ambiguity between provisions of this Agreement or any of the specifications, drawings or other documents referenced therein. It is expressly understood that each party is acting as an independent contractor in fulfilling its obligations pursuant to this Agreement.

2) **DEFINITIONS:** "**Summit**" means the entity specified above or in a request document, whether acting on its own behalf or as agent for one of its affiliated companies. "**Summit Group**" shall include **Summit**, its parent or affiliated companies, and clients and their respective officers, directors, employees, contractors, subcontractors, vendors (except Seller), invitees, licensees, agents, representatives, heirs, successors and assigns. All rights, benefits and remedies given by this Agreement to **Summit**, including but not limited to the benefit of any warranties, shall be deemed to also be for the express benefit of the client of **Summit**. "Seller" means the entity executing this Agreement or providing Goods to **Summit**. Seller Group shall include Seller, its parent or affiliated companies, and their respective officers, directors, employees, clients (other than **Summit**), subcontractors, vendors, invitees, licensees, agents, representatives, heirs, successors and assigns. "Claims" shall mean all claims, losses, damages, expenses causes of action, events, suits, judgments and liability of every kind, including without limitation all expenses of litigation, court costs and reasonable attorney's fees arising from this Agreement or the Goods provided hereunder. The term "Goods" includes the equipment, materials, work of service, including, without limitation, design, delivery, installation, inspection and testing required to be furnished or performed in connection with the Goods.

   As used below the term **SITCO Enterprises LLC, Summit International Trading Company, Summit International, Summit Work Apparel** , or any such business doing business as set forth as the face of this Agreement (hereinafter collectively referred to as "**SUMMIT"**)

3) **PRICE:** The price for the Goods shall include all requirements specified in this Agreement. It is fixed and it is not subject to adjustment for escalation. The price includes all taxes and duties to the specified delivery point, proper packing and loading and securing the Goods on the carrier's equipment at the shipping point. **Summit's** count shall be final and conclusive on shipments not accompanied by Seller's itemized packing list.

4) **DOCUMENTATION:** "Seller" shall provide "Summit" with the following documents with or prior to shipments of the ordered material by **"Summit".** All documents must be on Manufacturer's original letterhead, signed by the **"Seller".** Shipment is not considered complete wit out these documents.

   (a) Certificate of Conformance issued by the manufacturer showing itemized full description/specification and quantity of the supplied material as well as full name of the manufacturer and country of origin certifying that the supplied material are genuine, brand new, and are fully in compliance with order specification.

   (b) Manufacturer Standard Warranty Certificate

   (c) Testing Certificate, if required on Purchase Order.

   d) Invoice and Packing Slip in 3 originals with complete dimensions, weights, volume, and Harmonized Code of the material to be shipped.

5) **PAYMENT:** Seller's performance under this Agreement will not be complete nor payment made until "**Summit"** is in receipt of all Goods specified in the quantities ordered and all other properly completed documents, including any required certifications, drawings and bills of ladings. "**Summit"** may withhold payment, without loss of its right to a discount, until Seller meets all requirements set forth herein. **Payment will be due within the time period set out in the Agreement document or if no stated, then, 75 days following receipt and acceptance of the Goods and receipt of Seller's correct invoice.** All taxes and duties arising as a consequence of the performance of Seller's business or the sale of the Goods or, the importation of the Goods or component parts thereof, prior to delivery to "**Summit"**, other than those expressly undertaken by "**Summit"** are for the account of and the responsibility of Seller. "**Summit"** shall not be liable for any such taxes or duties or securities that are or may become payable, and Seller shall defend, indemnify and hold harmless "**Summit"** for Seller's to pay same. The terms taxes and duties shall mean all fees or charges imposed, assessed or levied by any governmental or other authority and shall include, but shall not be limited to, property, sales, use taxes, royalties, value added and excise taxes or other charges of a similar nature, customs or other duties, harbor and port dues, demurrage, wharfage, pilotage, stevedoring, customs agent fees and other such charges and other fees. The provisions of this Article shall continue after termination of this Agreement.

6) **TITLE:** Seller warrants good title to all Goods, free and clear of any and all liens, restrictions, reservations, security interest, encumbrances and claims of others. Title to all Goods shall pass to "**Summit"** on the earlier at a) delivery to **Summit's** specified delivery point, or b) payment in whole or part. Irrespective of the earlier passage of title, risk of loss shall not pass to Summit until physical delivery of the Goods has been made to "**Summit"** at **Summit's** specified delivery point.

7) **WARRANTY & REJECTION FOR NON-CONFORMITY:** Seller warrants that all Goods will meet the specifications, drawings and other requirements of the Agreement, will be of new materials, first-class workmanship, free from defects in design, workmanship, and material and fit for the purpose intended or represented. If within 18 months from date of receipt or within 12 months from date of use, whichever occurs first, "**Summit"** discovers any breach of any warranty as to the Goods, then Seller shall promptly repair or replace the Goods in question after **Summit**'s written notice of breach, without cost to "**Summit"**. If seller fails, after 7 days' notice, to promptly proceed with the repair or replacement of the defective Goods, "**Summit"** may repair or replace such Goods and charge all related costs to Seller without voiding the warranties herein. In addition, if emergency repairs are required not allowing time for Seller to make such repairs, "**Summit"** may nevertheless proceed and make such repairs or replacements and charge the cost to Seller. Seller warrants for period equal to the end of the initial warranty period, to correct defects in the goods that Seller has repaired or replaced. "**Summit"** shall have the right to inspect the Goods at any time. **Summit**'s failure to inspect the Goods shall not affect **Summit**'s right to reject non-conforming or defective Goods or constitute acceptance of the Goods if "**Summit"** reasonably determines that all or a portion of the Goods are non-conforming.

8) **INDEMNITY: SELLER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS "SUMMIT" FROM AND AGAINST ALL CLAIMS, FOR INJURY TO, SICKNESS OR DEATH OF ANY MEMBER OF SELLER GROUP OR FOR DAMAGE TO PROPERTY OF ANY MEMBER OF SELLER GROUP, ARISING OUT OF OR IN CONNECTION WITH THE WORK DONE BY SELLER UNDER THIS AGREEMENT. SELLER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS "SUMMIT" AND USER OF THE GOODS FROM AND AGAINST ANY CLAIMS IMPOSED ON, INCURRED OR ASSERTED AGAINST "SUMMIT" ON ACCOUNT OF BODILY INJURY OR DEATH OR PROPERTY DAMAGE OR DESTRUCTION, OR RESULTING FROM AN ALLEGED DEFECT IN THE GOODS, WHETHER LATENT OR PATENT, INCLUDING WITHOUT LIMITATION ALEGEDLY IMPROPER CONSTRUCTION OR DESIGN, OR ROM THE FAILURE OF THE GOODS TO COMPLY WITH SPECIFICATIONS OR WITH ANY EXPRESS O IMPLIED WARRANTIES OF SELLER, OR ARISING OUT OF THE ALLEGED VIOLATIONS OF ANY STATUTE, ORDINANCE, ADMINISTRATIVE ORDER, RULE OR REGULATION CONNECTED WITH THE MANUACTURE OR SALE OF ANY GOODS TO THE EXTENT CAUSED BY SELLER. FOR THE PURPOSES OF THIS PARAGRAPH, "GOODS" SHALL BE DEEMED TO INCLUDE ANY PACKAGING AND ANCILLARY SERVICES SUPPLIED BY SELLER.**

9) **PATENT INDEMNITY: Seller, shall defend, indemnify, and hold "Summit" harmless from and against any claim, suit or liability based on a claim that the manufacture, use or sale of any Goods, or any part thereof supplied, constitutes infringement of any patent, trademark, copyright or other proprietary right of others.** The foregoing sentence shall not apply to any Goods, or any part hereof, to the extent of being manufactured to designs furnished or required by "**Summit"**.

10) **SCHEDULE/DELAYS**: Except as provided below, Seller shall complete its obligations pursuant to this Agreement by the delivery dates specified (or within 7 days of **Summit**'s written demand after a reasonable time has elapsed if no delivery date is specified in the Agreement). Delays in Seller's performance or delivery due to defaults of "**Summit"** in meeting its obligations under this Agreement or force majeure occurrences such as acts of God, or, strikes or other similar causes beyond Seller's control, which Seller could not have reasonably prevented or foreseen, shall be excused. In such event, Seller shall promptly notify "**Summit"** of any such delay and at no additional cost to "**Summit"**, Seller shall take all reasonable steps to avoid or mitigate the effects of such delay. The date of delivery or of performance will be extended for a period equal to the duration of the delay, but Seller shall not be entitled to any additional compensation for such delay. In the event such force majeure delays delivery more than forty five (45) days from any scheduled delivery date, "**Summit"** shall the right to cancel the Agreement or any part thereof without any liability. Where the delay in is not excused by a force majeure occurrence or **Summit**'s default, then the failure of Seller to deliver the Goods by such specified delivery date or within 7 days of **Summit**'s notice if no such delivery date is specified, shall permit "**Summit"** to cancel this Agreement or any part thereof without cost to

"**Summit"**. Seller shall be liable for all Claims as a result of such breach.

11) **CHANGES**: "**Summit"** shall have the right to make changes in the requirements for the Goods. If such changes affect the delivery date or price of the Goods, an equitable adjustment to the price and/or delivery date shall be mutually agreed between "**Summit"** and Seller to reflect such change. Seller shall continue work during any discussion concerning such change and shall implement if directed to do so in writing by "**Summit".** Additional compensation or changes to the delivery date shall only be made if agreed to in writing by "**Summit".** If Seller believes a change has been made, Seller shall give "**Summit"** notice of such change within 7 days after it has occurred, failing which it shall be deemed that Seller has waived any claim for an adjustment in price or delivery time for the goods.

12) **TERMINATION**: In the event Seller does not correct or, if immediate correction is not possible, commence and diligently pursue correction of any default of Seller under this Agreement, within 7 days after written notice by "**Summit"** of such default, "**Summit"** may, by written notice to Seller, immediately terminate this Agreement, without prejudice to any rights or remedies which "**Summit"** may have. In the event of such termination "**Summit"** may take possession of all Goods and complete the performance of this Agreement by such means as "**Summit"** selects and Seller shall be responsible for any additional costs incurred by "**Summit"** in doing so. In addition to the foregoing, "**Summit"** reserves the right to terminate this agreement for its convenience at any time for any reason on written notice to Seller. In such event, Seller will be paid for all materials or services authorized and satisfactorily performed or received prior to said termination plus the reasonable cost incurred by Seller in termination the order.

13) **COMPLIANCE WITH LAWS: Subject to the limitations of this Agreement, it is agreed that in the performance of this Agreement all matters shall be conducted in full compliance with any and all applicable federal, state, provincial and local laws, rules and regulations in the area (as) in which the matters are being conducted, including but not limited to Export Administration Act of 1979 (EAA) as well as the U.S. Foreign Corrupt Practices Act of 1977 (FCPA). If "Summit" is required to pay any fine or penalty or is subject to a claim due to Seller's failure to comply with applicable laws, rule or regulations, including Article 14 below, Seller shall defend, indemnify and hold harmless "Summit" for all Claims, fees and/or fines for such failure to comply to the extent of Seller Group's negligence or fault. This provision shall survive termination or cancellation of this Agreement.**

14) **ASSIGNMENT:** Seller shall not assign any of its obligations under this Agreement without prior written consent of "**Summit".** "**Summit"** shall have the right to assign this Agreement to **Summit**'s related companies or **Summit**'s client, without the consent of Seller.

15) **CONFIDENTIALITY:** All data and information acquired directly or indirectly by Seller from "**Summit"** relating to this Agreement or in connection with the performance of this Agreement, excluding information or data in the public domain through no default of Seller, shall be held strictly confidential and not be reproduced or used for any purpose unrelated to the Agreement or disclosed to a third party without **Summit**'s written consent. As a result of Seller's work under this Agreement, Seller or its employees may develop information, data and know-how, including reports, solutions and interpretations. **The information, data and know-how developed by Seller or its employees under this Agreement are the sole property of "Summit" and will be considered as works made for hire**.

16) **LAW AND DISPUTE RESOLUTION:** This Agreement shall be interpreted and construed in accordance with the laws of the State of Texas, U.S.A., excluding any choice of law rules that would otherwise require the application of laws of any other jurisdiction. Venue for any dispute arising from this Agreement shall be in the state and/or federal courts of Houston, Harris County, or Fort Bend County, Texas**. BOTH PARTIES AGREE THAT, TO THE EXTENT ALLOWED BY THE GOVERNING LAW, EACH [PARY HEREBY WAIVES ALL RIGHTS TO A JURY TRIAL WITH RESPECT TO ANY LITIGATION INVOLVING THIS AGREEMENT. THE PARTIES EXPRESSLY AGREE TO A JUDGE TRIAL**. It is the intent of the Parties to exclude the application of the UN Convention on the International Sale of Goods. Nothing herein shall prohibit a Party from availing itself of a court of competent jurisdiction for the purpose of injunctive relief.

17) **INSURANCE:** Seller shall procure and maintain at its expense the following coverage and exhibit on demand, (a) certificates of comprehensive general liability insurance and employers liability insurance for such amount as may be agreed between the parties but in any event not be less than US$1,000,000 in each case and (b) certificates of excess liability insurance for such amount as may from time to time be agreed between the parties but in any event not be less than US$5,000,000 per occurrence.

18) **MECHANIC'S LIEN:** Seller agrees to waive all rights of mechanic liens against the property of "**Summit"** and further agrees to hold harmless "**Summit"** from any mechanic liens arising from Seller's performance.

19) **SAFETY RULES:** Seller warrants that it and its employees shall comply with all statutory and governmental, "**Summit"** and "**Summit"** client safety and health regulations.

20) **SAVINGS CLAUSE:** In the event any provision, clause, sentence or part of this Agreement is inconsistent with or contrary to any applicable law, same shall be deemed to be modified to the extent required to comply with said law (it being the intention of both Parties to enforce to the fullest extent all terms of this Agreement) and as so modified, this Agreement shall continue in full force and effect. In the event any such provision, clause, sentence or part of this Agreement cannot be modified to comply with the law, then said provision, clause, sentence or portion of the agreement shall be deemed to be deleted from the Agreement and the remaining terms and conditions shall

remain in full force and effect.

21) **ENTIRE AGREEMENT:** This Agreement constitutes the entire Agreement between the parties with respect to the provision of services and supersedes all other terms either expressed or implied by law. No oral arrangement will be effective to modify or waive any provision of this Agreement. Any modification of this Agreement will not be effective unless signed by both parties.

22) **ACKNOWLEDGEMENT:** All Purchase Orders submitted to "Seller", by email or fax, requires acknowledgement and acceptance of the order based on Terms and Conditions of this document. **If "Summit" does not receive written acknowledgement and acceptance from "Seller", via email or fax within five (5) business days, "Seller" agrees that the order is automatically considered acknowledged and accepted by "Seller".**

23) ENTIRE AGREEMENT: This Agreement constitutes the entire Agreement between the parties with respect to the provision of services and supersedes all other terms either expressed or implied by law. No oral arrangement will be effective to modify or waive any provision of this Agreement. Any modification of this Agreement will not be effective unless by both parties. **THIS "AGREEMENT" IS AN INTEGRAL PART OF ALL PURCHASE ORDERS ISSUED BY "SUMMIT".**